

THIRD CERCLA 104(e) INFORMATION REQUEST THAT PERTAINS TO RESPONDENTS
ABILITY TO PAY
URGENT LEGAL MATTER: PROMPT REPLY REQUESTED
CERTIFIED MAIL, RETURN RECEIPT REQUESTED #XXXX XXXX XXXX XXXX XXXX

Ms. Frances E. Phillips, Environmental Partner, Gardere Wynne Sewell LLP
On behalf of Dean Services West, L.L.C. and Mr. Lynn B. Dean
2021 McKinney Avenue, Suite 1600
Dallas, Texas 75201

Re: Third Request for Information to the EPA's August 25, 2015, Information Request letters sent to
Dean Services West, L.L.C. and Mr. Lynn B. Dean for the Delta Shipyard Site (SSID # 06GC),
Houma, Terrebonne Parish, Louisiana.

Dear Ms. Phillips:

The U.S. Environmental Protection Agency (EPA) seeks cooperation from Dean Services West, L.L.C. and Mr. Lynn B. Dean (Respondents) in providing additional information and documents that relate to its potential ability to pay, i.e., reimburse the EPA for past and anticipated future remedial costs associated with the Delta Shipyard Superfund Site (Site). The Site is located generally at 200 Industrial Boulevard in the City of Houma, Parish of Terrebonne, and the State of Louisiana. The Site is situated approximately one-half mile south of Industrial Boulevard and is located on the east and west sides of Dean Court. Obtained information will aid the EPA in its ability to pay analysis for Respondents.

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Section 104(e), 42 U.S.C. § 9604(e), gives the EPA the authority to require the respondents to respond to this information request (see Enclosure 1). We encourage you to give this matter your full attention, and we respectfully request you to respond to this request for information no later than thirty days after you receive this letter. You may designate another official with the requisite authority to respond on behalf of yourself. However, failure to respond to this information request may result in the EPA seeking penalties or up to \$54,789 per day of violation. In addition, furnishing false, fictitious or fraudulent statements or representations is subject to criminal penalty under 18 U.S.C. § 1001.

Please provide a written response to Mr. Robert Werner, Enforcement Officer, at the address included in the Information Request. Please refer to Enclosure 2 for important instructions and definitions and Enclosure 3 for specific questions that require your response to this Information Request.

If you have any questions regarding this letter, contact Mr. Werner at (214) 665-6724. For legal questions concerning this letter, please have your legal counsel contact Ms. Amy Salinas, Assistant Regional Counsel, at (214) 665-8063. Thank you for your attention to this matter.

Sincerely yours,

Ben Banipal, P.E., Branch Chief
Technical and Enforcement Branch
Superfund Division

Enclosures (3)

ENCLOSURE 1

DELTA SHIPYARD SUPERFUND SITE TERREBONNE PARISH, LOUISIANA INFORMATION REQUEST RESPONSE TO INFORMATION REQUEST

Under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), commonly known as the federal "Superfund" law, the U.S. Environmental Protection Agency (EPA) responds to the release or threat of release of hazardous substances, pollutants or contaminants into the environment to stop additional contamination and to clean-up or otherwise address any prior contamination.

The EPA is requesting information under CERCLA Section 104(e). Section 104(e) may be found in the United States Code (U.S.C.) at Title 42 Section (section is denoted by the symbol"§") 9604(e), 42 U.S.C. § 9604(e).

Pursuant to the authority of CERCLA § 104(e), Dean Services West, L.L.C. and Mr. Lynn B. Dean (Respondents) are hereby requested to respond to the enclosed information request. If you have any question concerning the Delta Shipyard Superfund Site (Site) that is situated approximately one-half mile south of Industrial Boulevard and located on the east and west sides of Dean Court in Houma, Louisiana or question concerning this information request letter, please contact Mr. Robert Werner, the designated Enforcement Officer for the Site, at phone number (214) 665-6724, fax number (214) 665-6660, or via email at werner.robert@epa.gov. Please mail your response **no later than thirty days after you receive this letter**, to the following address:

Mr. Robert Werner, Enforcement Officer
Superfund Enforcement Assessment Section (6SF-TE)
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, TX 75202-2733

If you or your attorney has legal questions that pertain to this information letter request, please contact Ms. Amy Salinas, Assistant Regional Counsel, at (214) 665-8063, fax number (214) 665-6460, or via email at salinas.amy@epa.gov. For contact via mail, use the following address:

Ms. Amy Salinas
Office of Regional Counsel (6RC-S)
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733

BACKGROUND INFORMATION

The Site is located generally at 200 Industrial Boulevard in the City of Houma, Parish of Terrebonne, and the State of Louisiana. The Site is situated approximately one-half mile south of Industrial Boulevard and is located on the east and west sides of Dean Court.

For a number of years prior to 1986, the non-incorporated business entity known as Delta Shipyard (DS) operated a boat and barge cleaning and repair facility at the Site. Operations of DS included cleaning and repairing small cargo boats, fishing boats, and oil barges. Before repairs could be started, boats and barges had to be certified vapor free by the U.S. Coast Guard. In order for DS to accomplish this, boats and barges were steam cleaned to remove oily wastes. Recovered oil deemed usable during cleaning activities was collected and eventually sold. Oily waste from the cleaning process was stored in several unlined earthen pits. These pits were used as evaporation ponds. Reportedly, these pits were also used to dispose of oil field drilling material. Currently the EPA is aware of four evaporation pits on the Site.

Currently available information indicates that, prior to 1986, DS operated as a non-incorporated business under the control and/or direction of one or more of the following business entities:

Della Iron Works. Inc., a Louisiana corporation, and/or

Della Iron Works. Inc., a Delaware corporation, recognized in Louisiana, and/or

Chromalloy American Corporation, a Delaware corporation, recognized in Louisiana, and/or

Chromalloy American Corporation, a Delaware corporation, recognized in Missouri, and/or

Chromalloy American Corporation, a Delaware corporation, and/or

Delta Services Industries, a Louisiana partnership

RESPONSE ACTIONS TO DATE

On April 28, 2015, Special Notice Letters (SNL) to undertake a Remedial Investigation and Feasibility Study at the Delta Shipyard Superfund Site were mailed to three PRPs. The three PRPs are Mr. Lynn B. Dean, Dean Services West, L.L.C., and Chromalloy American LLC, C/O Sequa Corporation. SNLs requested addressees to send their good-faith offers to the EPA not later than August 21, 2015.

The EPA received a letter response from Chromalloy's legal counsel. The letter was dated August 21, 2015. Narrative in the response stated that, "Chromalloy is willing to enter into negotiations with EPA regarding a negotiated agreement for IM/RA and related studies and SOW for the Site. Chromalloy anticipates asking one or more other SNL recipients to perform this work or participate in its funding." On November 11, 2015, the EPA received a follow up response from Chromalloy's counsel. Attached to the follow up response was Chromalloy's draft SOW for the Site. Narrative in the follow up response stated that, "Attached is a draft SOW for review and discussion...Chromalloy anticipates asking one or more other SNL recipients to perform this work or participate in its [the Site's] funding."

The EPA received a letter response from Respondents' legal counsel. The letter was dated August 21, 2015. Narrative in the letter response stated that, "Both Dean Services West, L.L.C. and Mr. Lynn Dean are willing to participate in and cooperate with the RI/FS requested by the Agency. We are currently in discussions with Chromalloy to find a mutually agreeable contractor and will update you as the process progresses." Attached to the response was a redlined Administrative Settlement Agreement.

On August 25, 2015, the EPA sent 104(e) Information Request letters to Respondents requesting copies of certain financial documents that could assist the EPA in its ability to pay analysis for Respondents. The EPA received Respondents' letter response dated October 5, 2015. The response contained copies of documents the EPA had requested. After reviewing the provided documents, the EPA determined that supplemental financial information was needed from Respondents in order to assist the EPA's ability to pay analysis.

On February 3, 2016, the EPA sent second 104(e) Information Request letters to Respondents requesting copies of additional financial documents that could assist the EPA in its ability to pay analysis for Respondents. The EPA received Respondents' response letter dated April 25, 2016. The response contained copies of documents the EPA had requested. However, after reviewing the provided documents, the EPA determined that additional supplemental financial information was needed from Respondents in order to assist the EPA's ability to pay analysis.

ENCLOSURE 2

DELTA SHIPYARD SUPERFUND SITE TERREBONNE PARISH, LOUISIANA INFORMATION REQUEST

1. Please provide a separate narrative response for each and every Question and subpart of a Question set forth in this Information Request.
2. Precede each answer with the Question (or subpart) and the number of the Question (and the letter of a subpart of a Question, if applicable) to which it corresponds.
3. If information or documents not known or not available to you as of the date of submission of a response to this Information Request should later become known or available to you, *you must supplement* your response to the U.S. Environmental Protection Agency (EPA). Moreover, should you find, at any time, after submission of your response, that any portion of the submitted information is false or misrepresents the truth, or, though correct when made, is no longer true, you must notify the EPA of this fact as soon as possible and provide the EPA with a corrected response.
4. For each document produced in response to this Information Request, indicate on the document, or in some other reasonable manner, the number of the Question (and the letter of a subpart of a Question, if applicable) to which it responds.
5. You may assert a business confidentiality claim covering part or all of the information which you submit in response to this request. Any such claim must be made by placing on (or attaching to) the information, at the time it is submitted to the EPA, a cover sheet or a stamped or typed legend or other suitable form of notice employing language such as "trade secret," "proprietary," or "company confidential." Confidential portions of otherwise non-confidential documents should be clearly identified and may be submitted separately to facilitate identification and handling by the EPA. If you make such a claim, the information covered by that claim will be disclosed by the EPA only to the extent, and by means of the procedures, set forth in subpart 13 of 40 CFR Part 2. If no such claim accompanies the information when it is received by the EPA, it may be made available to the public by the EPA without further notice to you. The requirements of 40 CFR Part 2 regarding business confidentiality claims were published in the Federal Register on September 1, 1976, and were amended September 8, 1976, and December 18, 1985.
6. Personal Privacy Information. Personnel and medical files, and similar files the disclosure of which to the general public may constitute an invasion of privacy should be segregated from your responses, included on separate sheet(s), and marked as "Personal Privacy Information."
7. Objections to questions. If you have objections to some or all the questions within the Information Request Letter, you are still required to respond to each of the questions.

DEFINITIONS

The following definitions shall apply to the following words as they appear in this enclosure:

1. The terms "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of this Information Request any information which might otherwise be construed to be outside its scope.
2. The term "any", as in "any documents" for example, shall mean "any and all."
3. The term "arrangement" means every separate contract or other agreement between two or more persons.
4. The terms "document(s)" and "documentation" shall mean any object that records, stores, or presents information, and includes writings of any kind, formal or informal, whether or not wholly or partially in handwriting, including by way of illustration and not by way of limitation, any invoice, manifest, bill of lading, receipt, endorsement, check, bank draft, canceled check, deposit slip, withdrawal slip, order, correspondence, record book, minutes, memorandum of telephone and other conversations including meetings, agreements and the like, diary, calendar, desk pad, scrapbook, notebook, bulletin, circular, form, pamphlet, statement, journal, postcard, letter, telegram, telex, telecopy, telefax, report, notice, message, analysis, comparison, graph, chart, map, interoffice or intra office communications, Photostat or other copy of any documents, microfilm or other film record, any photograph, sound recording on any type of device, any punch card, disc pack; any tape or other type of memory generally associated with computers and data processing (together with the programming instructions and other written material necessary to use such punch card, disc, or disc pack, tape or other type of memory and together with the printouts of such punch card, disc, or disc pack, tape or there type of memory); and (a) every copy of each document which is not an exact duplicate of a document which is produced, (b) every copy which has any writing, figure or notation, annotation or the like on it, (c) drafts, (d) attachments to or enclosures with any document and (e) every document referred to in any other document.
5. The term "identify" means, with respect to a natural person, to set forth the person's name, present or last known business and personal addresses, email address(es), and telephone numbers, and present or last known job title, position or business. Also provide e-mail addresses.
6. The term "identify" means, with respect to a corporation, partnership, business trust or other association or business entity (including, but not limited to, a sole proprietorship), to set forth its full name, address, and legal form (e.g. corporation [including state of incorporation], partnership, etc.), organization, if any, a brief description of its business, and to indicate whether or not it is still in existence and, if it is no longer in existence, to explain how its existence was terminated and to indicate the date on which it ceased to exist. Also provide e-mail addresses.
7. The term "identify" means, with respect to a document, to provide the type of document, to provide its customary business description, its date, its number, if any (invoice or purchase order number), subject matter, the identity of the author, addressor, addressee and/or recipient, and the present location of such document.

8. The term "person" shall have the same definition as in Subsection 101 (21) of CERCLA, 42U.S.C. § 9601 (21).
9. The term "Site" shall mean and include the Delta Shipyard Superfund Site located generally at 200 Industrial Boulevard in the City of Houma, Parish of Terrebonne, and the State of Louisiana. The Site is situated approximately one-half mile south of Industrial Boulevard and is located on the east and west sides of Dean Court.
10. The term "you" or "Respondent" shall mean the addressee of this Request, the addressee's officers, managers, employees, contractors, trustees, partners, successors and agents.
11. Words in the masculine shall be construed in the feminine, and vice versa, and words in the singular shall be construed in the plural, and vice versa, where appropriate in the context of a particular question or questions as necessary to bring within the scope of this Information Request any information which might otherwise be construed to be outside its scope.\
12. All terms not defined herein shall have their ordinary meaning, unless such terms are defined in CERCLA, RCRA, 40 CFR, Part 300 or 40 CFR, Parts 260-280, in which case the statutory or regulatory definitions shall apply.

ENCLOSURE 3

DELTA SHIPYARD SUPERFUND SITE TERREBONNE PARISH, LOUISIANA INFORMATION REQUEST

1. Identify the person(s) that provides answers to the questions below on behalf of Lynn Dean West, L.L.C and Mr. Lynn B. Dean. (Respondents).
2. Does Ms. Frances E. Phillips continue to be the designated individual to receive all future correspondence from the U.S. Environmental Protection Agency (EPA) that concerns the Respondent and the Site? If Respondent's answer to this question is yes, can Ms. Phillips be reached at 2021 McKinney Avenue, Suite 1600, Dallas, Texas, Telephone 214.999.4803; Fax 214.999.3803; email fphillips@gardere.com? If Respondent's answer to this question is no, please provide the EPA with the name, address, and phone number of the current individual that Respondent has elected to receive future correspondence from the EPA that concerns Respondent and the Site.
3. For each of the following businesses, provide copies of 2014, 2015, and 2016 U.S. Income Tax Returns filed by the Respondent including all the member/owner K-1s, and any attached exhibits and/or other documents.

Jackup Boat Service, L.L.C.

Elevating Boats, L.L.C.

Duhe, Inc.

Abby-Ashland, L.L.C.

4. For the following two rental activities reported by the Respondent on his 2014 U.S. Individual Income Tax Return (Schedule E), provide copies of financial statements for the years-end 2014, 2015, and 2016. The requested financial statements should include the balance sheets and profit and loss statements and/or "year-end trial balance" sheets for Trailer Lots Ashland, Houma, LA 70360 Abby Plantation, Houma, LA 70360
5. Regarding the following rental properties reported by the Respondent on his U.S. Individual Income Tax Returns for years prior to 2014 (Schedules E), provide details regarding the sale and or disposition of any and all rental property. Please provide buyer(s) name(s); date(s); proceeds (sales price); and cost basis for each sale of rental properties associated with:

Magnum Producing LP

Colony Production Co, St Bernard, LA

6. For the following bank accounts identified on the Respondent's 2014 U. S. Individual Income Tax Return, provide account balances (checking and savings accounts) for the years ended December 31, 2014, December 31, 2015, and December 31, 2016.

Capital One

Morgan Stanley

Synergy Bank

Iberia Bank

7. Provide the market value(s) of the Respondent's investment(s) with Morgan/Stanley/Smith Barney Holdings for the years ended December 31, 2014, **December 31, 2015, and December 31, 2016**. This investment account has been identified as reported on the Respondent's 2014 U.S. Individual Income Tax Return (Schedule B).